## Agenda Action Item:

Action Item: IV.F.

## Approval of BEP Unit Costs for Fiscal Year 2006-07

## The Background:

The Basic Education Program (BEP) funding formula is comprised of three major funding components: Instructional (65% state share), Classroom (75% state share), and Non-classroom (50% state share). Funds generated within these components are derived by use of unit costs.

The unit cost for instructional salaries is \$36,515. The instructional salaries unit cost has been adjusted .6% for training and experience and the 2% state salary increase effective July 1, 2006. The instructional insurance unit cost, as determined by F&A is \$4,443.98. The instructional retirement rate for the 2007 fiscal year is 6.13%, an increase of .63% over the prior year.

The Governor's budget includes an additional \$33 million in at-risk funding and \$2 million in ELL funding. At-risk eligible funding percentage increased from 20% to 38.5%. The pupil/teacher and pupil/translator ratio's for ELL students decreased from 50:1 to 45:1 and 500:1 and 450:1, respectively.

All other unit cost amounts for the classroom and non-classroom categories are attached.

## The Recommendation:

The Department of Education recommends approval of the BEP unit costs, including at-risk and ELL funding, for the 2007 fiscal year on final reading. The SBE staff concurs with this recommendation.

COMPUTATION OF 2006-07 BEP UNIT COSTS															
	2002-03	2003-04 EXPENDITURES	2004-05	Regular Voc Spec Ed	38,161	38,170 176,233	40,001 179,263	2002-03 INFLATED TO 2004-05 1.02629 1.07993	2003-04 INFLATED TO 2004-05 1.00000 1.07993	2004-05 INFLATED TO 2004-05 1.00000		3 YR AVG INFLATED TO 2005-06 1.01819	3 YR AVG INFLATED TO 2006-07 1.00508	3 YR AVG INFLATED TO 2006-07 ROUNDED	2005-06 inflated to 2006-07 ROUNDED
COMPONENT	EXPENDITURES			Total											
REGULAR INST. EQUIP.	\$37,844,700	\$32,916,300	\$27,985,893		\$43.67	\$37.62	\$31.70	\$48.40	\$40.62	\$31.70	\$40.24	\$40.97	\$41.18	\$41.00	\$61.00
VOCATIONAL EQUIP.	2,629,897	2,445,031	2,587,842		\$68.92	\$64.06	\$64.69	\$76.38	\$69.18	\$64.69	\$70.08	\$71.36	\$71.72	\$72.00	\$96.00
SPECIAL ED EQUIP.	1,742,315	1,537,626	1,331,539		\$9.87	\$8.72	\$7.43	\$10.94	\$9.42	\$7.43	\$9.26	\$9.43	\$9.48	\$9.00	\$12.00
NON-INSTRUCTIONAL EQUIP.	11,131,705	8,753,819	9,010,097		\$12.30	\$9.59	\$9.76	\$13.64	\$10.35	\$9.76	\$11.25	\$11.46	\$11.51	\$12.00	\$17.00
REG. MATERIALS AND SUPPLIES	51,554,178	53,676,760	52,003,695		\$59.49	\$61.34	\$58.90	\$65.94	\$66.25	\$58.90	\$63.70	\$64.85	\$65.18	\$65.00	\$62.00
VOC ED MATERIALS AND SUPPLIES	5,187,251	5,374,272	5,505,259		\$135.93	\$140.80	\$137.63	\$150.65	\$152.05	\$137.63	\$146.78	\$149.45	\$150.21	\$150.00	\$144.00
SPEC ED MATERIALS AND SUPPLIES	4,420,846	4,488,093	4,619,513		\$25.04	\$25.47	\$25.77	\$27.76	\$27.50	\$25.77	\$27.01	\$27.50	\$27.64	\$28.00	\$29.00
REGULAR TRAVEL	6,192,390	6,989,838	6,820,197		\$7.15	\$7.99	\$7.72	\$7.92	\$8.63	\$7.72	\$8.09	\$8.24	\$8.28	\$8.00	\$7.00
VOC ED TRAVEL	791,515	689,562	756,283		\$20.74	\$18.07	\$18.91	\$22.99	\$19.51	\$18.91	\$20.47	\$20.84	\$20.95	\$21.00	\$21.00
SPEC ED TRAVEL	2,002,228	2,028,259	2,321,599		\$11.34	\$11.51	\$12.95	\$12.57	\$12.43	\$12.95	\$12.65	\$12.88	\$12.95	\$13.00	\$12.00
ACADEMIC EXIT EXAMS					\$25.18	\$27.24	\$31.05	\$27.91	\$29.41	\$31.05	\$29.46	\$29.99	\$30.14	\$30.00	\$27.00
VOCATIONAL EXIT EXAMS					\$10.00	\$10.00	\$10.00	\$11.08	\$10.80	\$10.00	\$10.63	\$10.82	\$10.88	\$11.00	\$11.00